

**Notice of Allowability****Application No.**

10/024,585

**Applicant(s)**

KENDALL ET AL.

**Examiner**

SARA CHANDLER

**Art Unit**

3693

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--**

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 04/20/09.
2. ☒ The allowed claim(s) is/are 77-100.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some\* c) ☐ None of the:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

**THIS THREE-MONTH PERIOD IS NOT EXTENDABLE**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
- (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
- 1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_.
- (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_.
- Identifying Indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

**Attachment(s)**

1. ☐ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
3. ☒ Information Disclosure Statements (PTO/SB/08),  
Paper No./Mail Date 04/20/09 07/08/09
4. ☐ Examiner's Comment Regarding Requirement for Deposit of Biological Material
5. ☐ Notice of Informal Patent Application
6. ☒ Interview Summary (PTO-413),  
Paper No./Mail Date 07/09/09
7. ☒ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other \_\_\_\_.

**DETAILED ACTION**

***Response to Amendment***

This Office Action is responsive to Applicant's arguments and request for continued examination of application 10/024,585 (12/21/01) filed on 04/20/09.

***Status of the Claims***

Claims 1-76 are cancelled. Claims 77-100 are new. Thus, claims 77-100 are pending.

***Allowable Subject Matter***

**Claims 77-100** are allowed subject to the examiner's amendment described below.

An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it **MUST** be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with Michael P. Alexander, Reg. No. 50,961, on Thursday, July 9, 2009.

**EXAMINER'S AMENDMENT**

The application has been amended as follows: Claims 44-76 are cancelled. Claims 77-100 are new.

44-76. (Cancelled)

77. (New) A method for appraising value of a plurality of life insurance products, comprising:

- receiving, by a computer-based value appraising system, risk profile information of a proposed insured;

- receiving, by the computer-based value appraising system, information about proposed benefits to be provided and proposed price to be paid, including information about guaranteed amounts and illustrated amounts that depend on assumptions about the future, of each of a plurality of proposed life insurance products;

- receiving, by the computer-based value appraising system, information about an ability to meet financial obligations of one or more insurers providing the plurality of life insurance products;

- for each life insurance product of the plurality of life insurance products, determining an overall numeric rating reflecting the life insurance product's customer value proposition (CVP), including steps of:

  - determining, by the computer-based value appraising system, a first numeric rating of the life insurance product's value for money (VFM) based at least on mortality information specific to the received risk profile information of the proposed insured and on the illustrated amounts of the life insurance product's proposed benefits and proposed price that depend on the assumptions about the future;

  - determining, by the computer-based value appraising system, a second numeric rating of the life insurance product's performance under less optimistic assumptions about the future based at least on the life insurance product's guaranteed amounts of the proposed benefits and the proposed price;

  - determining, by the computer-based value appraising system, a third numeric rating of the financial strength of the insurer providing the life insurance product based at least on the received information about the ability to meet financial obligations of the insurer providing the life insurance product;

applying, by the computer-based value appraising system, a weighting to each of the first, second and third numeric ratings according to the relative importance of the first, second and third numeric ratings; and

determining, by the computer-based value appraising system, the life insurance product's customer value proposition (CVP) based at least on the first, second and third weighted numeric ratings; and

transmitting an appraisal of the plurality of life insurance products based on the determined customer value propositions (CVP) of the plurality of life insurance products.

78. (New) The method of claim 77, wherein determining the first numeric rating includes determining a internal rate of return of the life insurance product based on empirical lapse and surrender rates.

79. (New) The method of claim 77, wherein determining the first numeric rating includes determining a internal rate of return of the life insurance product based on level lapse and surrender rates.

80. (New) The method of claim 77, wherein determining the first numeric rating includes determining a premium of the life insurance product required to achieve a predetermined objective.

81. (New) The method of claim 77, wherein determining the first numeric rating includes determining an index of product flexibility of the life insurance product.

82. (New) The method of claim 81, wherein the index of product flexibility is based whether the life insurance product includes any of the following features: no-lapse guarantees, term riders, penalty-free withdrawals, preferred loans, refunds of cost insurance charges and persistency bonuses.

83. (New) The method of claim 77, wherein determining the second numeric rating includes determining a ratio of cash surrender value on mid-point assumptions to cash surrender value on current assumptions of the life insurance product.

84. (New) The method of claim 77, wherein determining the second numeric rating includes determining a number of years the life insurance product stays in force at mid-point assumptions.

85. (New) The method of claim 77, wherein determining the second numeric rating includes determining an internal rate of return (IRR) of the life insurance product based on a reduction of premiums paid during a duration of the life insurance product.

86. (New) The method of claim 77, wherein the third numeric rating is determined according to data provided by a rating study.

87. (New) The method of claim 77, wherein determining, for each life insurance product, the overall numeric rating reflecting the life insurance product's customer value proposition (CVP) further includes steps of:

determining, by the computer-based value appraising system, a numeric rating of a management performance of the insurer providing the life insurance product; and  
applying a weighting to the management performance numeric rating according to its relative importance, and

wherein determining the life insurance product's customer value proposition (CVP) is further based on the weighted management performance numeric rating.

88. (New) The method of claim 87, wherein determining the numeric rating of the financial status of the insurer providing the life insurance product includes:

determining a five year average return on equity for the life insurance product;  
determining a ratio of ordinary life expenses to Generally Recognized Expenses;

determining a five year average annual premium growth rate in excess of expense growth rate for the life insurance product;

determining a five year asset compound annual growth rate for the life insurance product;

determining a maximum earnings deviation for the life insurance product;

determining a ratio of ordinary life expenses to ordinary life premiums for the life insurance product; and

determining a ratio of ordinary life expenses to ordinary life reserves.

89. (New) The method of claim 77, wherein determining, for each life insurance product, the overall numeric rating reflecting the life insurance product's customer value proposition (CVP) further includes the steps of:

determining, by the computer-based value appraising system, a numeric rating of historical interest credited rates for the life insurance product; and

applying a weighting to the historical interest credited rates numeric rating according to its relative importance, and

wherein determining the life insurance product's customer value proposition (CVP) is further based on the weighted historical interest credited rates numeric rating.

90. (New) The method of claim 89, wherein determining the numeric rating of historical interest credited rates for the life insurance product includes calculating the value of a predetermined cash amount at a predetermined date for each of five consecutive years, wherein the value is determined using historical interest credited rates.

91. (New) The method of claim 77, wherein determining, for each life insurance product, the overall numeric rating reflecting the life insurance product's customer value proposition (CVP) further includes the steps of:

determining, by the computer-based value appraising system, a numeric rating of quality of customer service provided by the insurer; and

applying a weighting to the quality of customer service numeric rating according to its relative importance, and

wherein determining the life insurance product's customer value proposition (CVP) is further based on the weighted quality of customer service numeric rating.

92. (New) The method of claim 91, wherein the numeric rating of quality of customer service provided by the insurer is determined according to empirical data from a study of a plurality of insurance providers.

93. (New) The method of claim 77, wherein the first, second and third ratings are converted to a normalized scale before determining the life insurance product's customer value proposition (CVP) based on first, second and third weighted numeric ratings.

94. (New) The method of claim 77, wherein determining the first numeric rating includes:

determining, by the computer-based value appraising system, a plurality of metrics; and

applying, by the computer-based value appraising system, a weighting to each of the plurality of metrics according to the relative importance of each metric;

determining, by the computer-based value appraising system, the first numeric rating based on the weighted plurality of metrics.

95. (New) The method of claim 94, wherein for one of the plurality of metrics, a high point and low point are set, such that if the metric for any product exceeds the high point, then that product's normalized score is set to a first predetermined value, and if the metric is below the low point, then the normalized score is set to a second predetermined value, and if the metric lies between the high and low points, the normalized score is set by linear interpolation.

96. (New) The method of claim 77, wherein the weighting for the first numeric rating is greater than the weighting for the second numeric rating.

97 (New) The method of claim 77, wherein the weighting for the first numeric rating is greater than the weighting for the third numeric rating.

98 (New) The method of claim 77, wherein the weighting for the second numeric rating is greater than the weighting for the third numeric rating.

99. (New) The method of claim 77, wherein the appraisal takes the form of a numerical index, an alphabetic grade, or a descriptive phrase.

100. (New) The method of claim 77, wherein the appraisal is included in rated product proposals transmitted to a distribution channel.

***Reasons for Allowance***

The following is an examiner's statement of reasons for allowance:

The closest prior art of record is Libman, US Pat. No. 5,987,434. Although Libman is similar to the instant application in some respects, there are clear patentable distinctions.

Libman discloses an apparatus and method which uses client information to automatically select and present financial products appropriate for the client. The apparatus having an input device for inputting client information, financial product information, ancillary data and decision criteria; a storage device for storing the inputted items; decision making logic circuitry for using the inputted items to select a subset of the financial products; and an output device for preparing client communication which identifies the subject of the financial products.



Libman fails to explicitly disclose applying a weighting to each of the numeric ratings; and using the weighted numeric ratings to determine a customer value proposition (CVP) for each of the life insurance products.

Claim 77 is allowed because the closest prior art of record, Libman, alone or in combination fails to teach, suggest or otherwise discloses all the limitations required of method for appraising value of a plurality of life insurance products, comprising:

*receiving, by a computer-based value appraising system, risk profile information of a proposed insured;*

*receiving, by the computer-based value appraising system, information about proposed benefits to be provided and proposed price to be paid, including information about guaranteed amounts and illustrated amounts that depend on assumptions about the future, of each of a plurality of proposed life insurance products;*

*receiving, by the computer-based value appraising system, information about an ability to meet financial obligations of one or more insurers providing the plurality of life insurance products;*

*for each life insurance product of the plurality of life insurance products, determining an overall numeric rating reflecting the life insurance product's customer value proposition (CVP), including steps of:*

*determining, by the computer-based value appraising system, a first numeric rating of the life insurance product's value for money (VFM) based at least on mortality information specific to the received risk profile information of the proposed insured and on the illustrated amounts of the life insurance*

*product's proposed benefits and proposed price that depend on the assumptions about the future;*

*determining, by the computer-based value appraising system, a second numeric rating of the life insurance product's performance under less optimistic assumptions about the future based at least on the life insurance product's guaranteed amounts of the proposed benefits and the proposed price;*

*determining, by the computer-based value appraising system, a third numeric rating of the financial strength of the insurer providing the life insurance product based at least on the received information about the ability to meet financial obligations of the insurer providing the life insurance product;*

*applying, by the computer-based value appraising system, a weighting to each of the first, second and third numeric ratings according to the relative importance of the first, second and third numeric ratings; and*

*determining, by the computer-based value appraising system, the life insurance product's customer value proposition (CVP) based at least on the first, second and third weighted numeric ratings; and*

*transmitting an appraisal of the plurality of life insurance products based on the determined customer value propositions (CVP) of the plurality of life insurance products.*

Dependent claims are allowed based on the same rationale as the claims from which they depend.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably

accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SARA CHANDLER whose telephone number is (571)272-1186. The examiner can normally be reached on M-F, 8-4:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571)272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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